

**UNITED STATES
DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE**

**GULF OF MEXICO REGION
(AREAS IN GULF AND ATLANTIC OCS)**

**APPLICATION FOR PERMIT TO CONDUCT GEOLOGICAL OR GEOPHYSICAL
PROSPECTING FOR MINERAL RESOURCES OR SCIENTIFIC RESEARCH
IN THE OUTER CONTINENTAL SHELF RELATED TO MINERALS OTHER
THAN OIL, GAS, AND SULPHUR**

(Section 11, Outer Continental Shelf Lands Act of August 7, 1953, as amended on September 18, 1978, by Public Law 95-372, 92 Statute 629, 43 U.S.C. 1340; and 30 CFR Part 251)

DREDGING CONTRACTORS of AMERICA
Clay Bryant

Name of Applicant

3802 Bay to Bay Blvd., Ste. B-22

Number and Street

Tampa, FL 33629

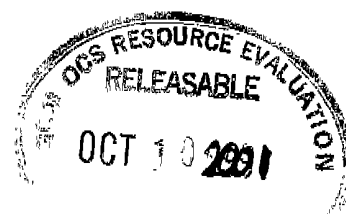
City, State, and Zip Code

Gahagan & Bryant Associates, Inc.

Name of Service Company or Purchaser
(if different from above)

Application is herein made for the following activity: (check one)

- ☒ Geological prospecting for mineral resources
- ☐ Geological scientific research
- ☐ Geophysical prospecting for mineral resources
- ☐ Geophysical scientific research



PERMIT E-1-00

DATE 4-26-01

Submit: Original, two copies, and one public information copy.

A. General Information

1. The activity will be conducted by:

Gahagan & Bryant Associates
Service Company Name
3802 Bay to Bay Blvd., Ste. B-22
Tampa, FL 33629
Address

(813) 831-4408
Telephone/FAX Numbers

gbatampa@gba-inc.com
E-Mail Address

For Dredging Contractors of America
Purchaser(s) of the Data
643 South Washington Street
Alexandria, Virginia 22314
Address

(703) 518-8408
Telephone/FAX Numbers

E-Mail Address

2. The purpose of the activity is: X Mineral prospecting

 Scientific research

3. Describe the environmental effects of the proposed activity, including potential adverse effects on marine life and what steps are planned to minimize these adverse effects (use continuation sheets as necessary):

No effect - bottom grab sampling by divers

4. The expected commencement date is: October 2000

The expected completion date is: NOVEMBER 2000

5. The name of the individual in charge of the field operation is: Clay M. Bryant

May be contacted at: (813) 831-4408

Telephone (Local) _____ (Marine) (813) 335-3423

Radio call sign _____

6. The vessel(s) to be used in the operation is (are):

Name "Tidewater" (Charter) _____ Registry number _____

Registered owner _____

7. The port from which the vessel(s) will operate is: St. Lucie Inlet\Pirate's Cove Marina
8. Briefly describe the navigation system (vessel navigation only): Trimble 300D DGPS, Trimble
HydroPro Software

B. Complete for Geological Prospecting for Mineral Resources or Geological Scientific Research

1. The type of operation(s) to be employed is: (check one)
- (a) _____ Deep stratigraphic test, or (b) X Shallow stratigraphic test with proposed total depth of 10', or (c) _____ Other Surface Grab Sample and Diver Handheld Probe
2. Exact geographic coordinates of proposed test(s) (attach a page-size plat(s)): See attachment

C. Complete for Geophysical Prospecting for Mineral Resources or Geophysical Scientific Research

1. Proposed location of the activity (attach a page-size plat(s)): N/A
2. The type(s) of operation(s) to be employed is (are): _____

(Seismic, gravity, magnetic, etc.)
3. The instrumentation and/or technique(s) to be used in the operation(s) is (are): N/A

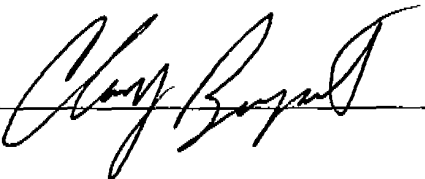
(Air gun, sparker, etc.)
4. Explosive charges will _____ will not _____ be used. If applicable, indicate the type of explosive and maximum charge size (in pounds) to be used:
- Type _____ Pounds _____ Equivalent Pounds of TNT _____

D. Proprietary Information Attachments

Use the appropriate form on page 9 for a "geological" permit application or the form on page 10 for a "geophysical" permit application. You must submit a separate Form MMS-134 to apply for each geological or geophysical prospecting permit.

E. Certification

I hereby certify that foregoing and attached information are true and correct.

SIGNED  DATE 4/20/01
TITLE Vice President

=====

TO BE COMPLETED BY MMS

Permit No. E-1-00 Assigned by R. Brannon Date 4-26-01
of MMS

This application is hereby:

- a. ☒ Approved
b. ☐ Returned for reasons in the attached

The approved permit is:

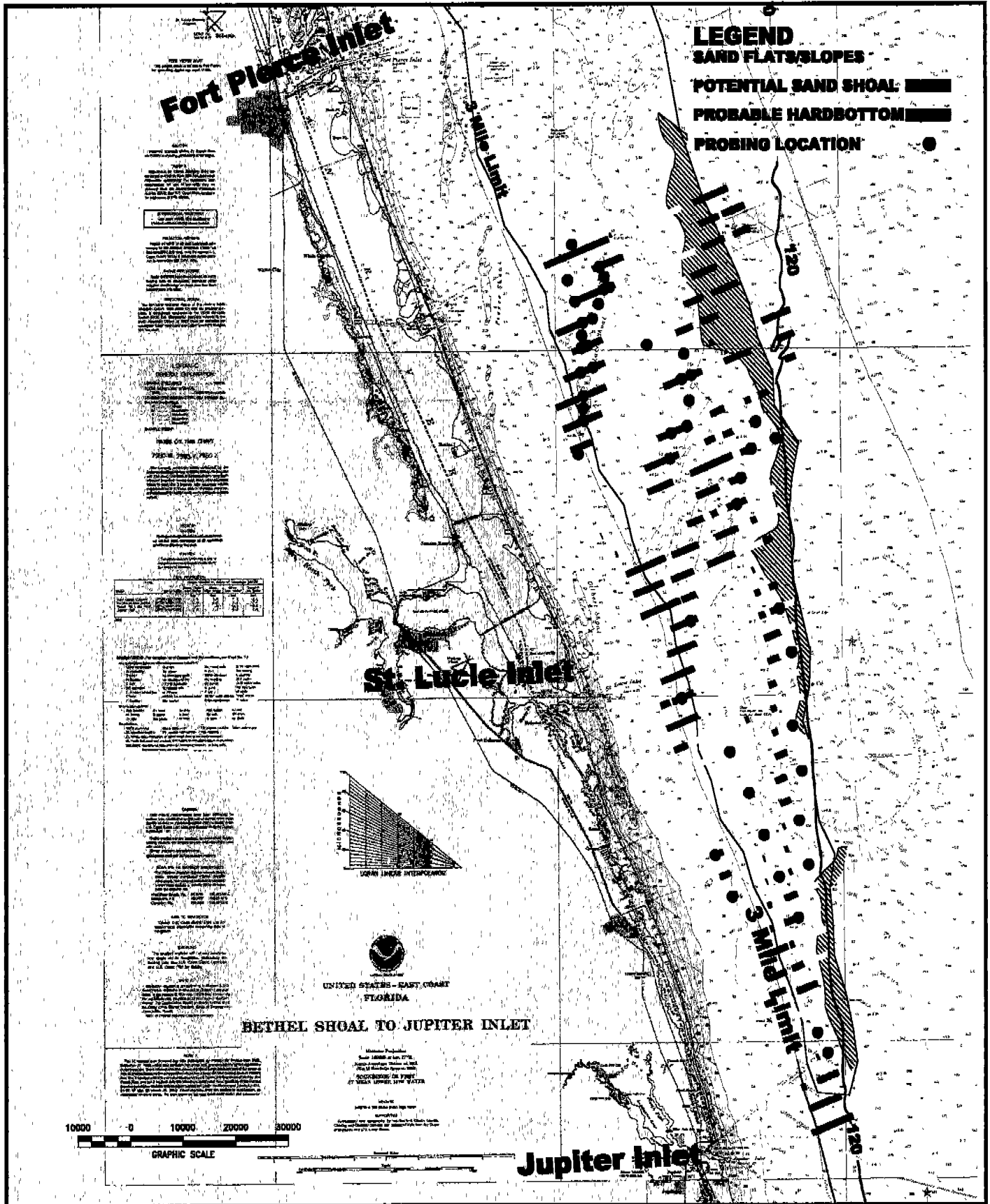
- a. ☒ Attached
b. ☐ Will be forwarded at a later date

SIGNED (Orig. Sgd.) David A. Marin TITLE Regional Supervisor DATE 9/24/01

**Section D Proprietary Information Attachment
Required for an Application for
Geological Prospecting Permit**

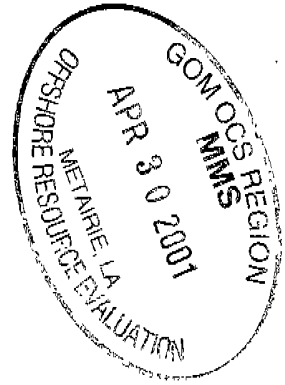
1. Brief description of method of shallow drilling or sampling: Diver grab samples of surface sediments
and probing of unconsolidated sediments to 10' using handheld jet probe.
2. Brief description of shallow drilling or sampling equipment to be used: Handheld corer
3. Number of boring or sample locations to be occupied: 55
4. Navigation system or method to be used to position sample locations: Trimble 300D DGPS
Trimble HydroPro Software
5. Method of sample analyses, storage, and handling: Samples stored in plastic sealed containers, visual
classification, standard sieve analysis, Munsell Color
6. Description and list of the final analyzed and/or processed data which will result from operations under the
proposed activity: Location map of sample sites, sieve analysis curves, Munsell Color
7. Estimated date on which samples, logs, and analyzed and/or processed data will be ready for inspection:
July 2001
8. Attach map(s), plat(s), and chart(s) (preferably at a scale of 1:250,000) showing latitude and longitude, scale,
specific block numbers, specific boring sample locations, and total number of borings or samples proposed.

DCA SAND SEARCH SAND SAMPLE AND PROBING LOCATIONS



**UNITED STATES
DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE**

**GULF OF MEXICO REGION
(AREAS IN THE GULF AND ATLANTIC OCS)**



**PERMIT FOR GEOLOGICAL PROSPECTING
FOR MINERAL RESOURCES OR SCIENTIFIC RESEARCH
IN THE OUTER CONTINENTAL SHELF RELATED TO
MINERALS OTHER THAN OIL, GAS, AND SULPHUR**

In consideration of the terms and conditions contained herein and the authorization granted hereby, this permit is entered into by and between the United States of America (the Government), acting through the Minerals Management Service (MMS) of the Department of the Interior, and

Gahagan & Bryant Associates, Inc.

(Name of Permittee)

3802 Bay to Bay Blvd., Suite 22B

(Number and Street)

Tampa, Florida 33629

(City, State, and Zip Code)

PERMIT NUMBER: E-1-00 DATE: 4-26-01

This permit is made pursuant to the authority of the Outer Continental Shelf Lands Act, as amended, (43 U.S.C. 1331 et seq.), hereinafter called the "Act," and Title 30 Code of Federal Regulations Part 280 (Prospecting for Minerals Other Than Oil, Gas, and Sulphur in the Outer Continental Shelf).

Section 1. Authorization

The Government hereby authorizes the permittee to conduct:

- X Geological prospecting for mineral resources by means other than a deep stratigraphic test, as defined in 30 CFR 280.1. This activity utilizes geological and geochemical techniques, including, but not limited to, gas sniffing, various bottom sampling methods, and shallow test drilling.
- _____ Geological prospecting for mineral resources or scientific research by means of a deep stratigraphic test, as defined in 30 CFR 280.1, or developing data and information for proprietary use or sale.

This permit authorizes the permittee to conduct the above geological activity during the period from October 1, 2000 to November 30, 2000 in the following area(s):

(R6)

Federal waters offshore of Martin and St. Lucie Counties, Florida, 3-8 miles

offshore. Extensions of the time period specified above must be requested in writing. A permit plus extensions for activities other than a deep stratigraphic test will be limited to a period of not more than 3 years from the original specified issuance date of the permit.

The duration of a permit for a deep stratigraphic test must be controlled in accordance with 30 CFR 251.7. Group participation in test drilling activities, bonds, inspection and reporting of geological exploration activities, suspension and cancellation of authority to conduct exploration or scientific research activities under permit and penalties, and appeals must be carried out in accordance with 30 CFR 251.7, 280.6, 280.8, 208.9, and 280.12.

The authority of the Regional Director may be delegated to the appropriate Regional Supervisor for the purposes of this permit.

Section II. Type(s) of Operations and Technique(s)

- A. The permittee will employ the following type(s) of operations:

Diver grab sampling of surficial sediments and jet probing to 10'

and will utilize the following instruments and/or technique(s) in such operations:

Hand corer, steel jet probe

- B. The permittee will conduct all activities in compliance with the terms and conditions of this permit, including the "Stipulations," "Special Provisions," and the approved "Application for Permit," which are attached to and incorporated into this permit.
- C. The permittee will conduct all geological prospecting or scientific research activities in compliance with the Act, the regulations in 30 CFR Part 280, and other applicable statutes and regulations whether such statutes and regulations are enacted, promulgated, issued, or amended before or after this permit is issued. Some of the provisions of 30 CFR Part 280 are restated in this permit for emphasis. However, all of the provisions of 30 CFR Part 280 apply to this permit.

Section III. Reports on Operations

- A. The permittee must submit status reports on a two month basis in a manner approved or prescribed by the Regional Supervisor, Resource Evaluation (hereinafter, except in section V only wherein Supervisor refers to the Regional Supervisor for Operations, referred to as Supervisor). The report must include a daily log of operations.
- B. The permittee must submit to the Supervisor a final report within 30 days after the completion of operations. The final report must contain the following:
 - 1. A description of the work performed including number of samples acquired;
 - 2. Chart(s), map(s), or plat(s) depicting the areas and blocks in which any prospecting or scientific research activities were conducted. These graphics must clearly indicate the location of the activities so that the data produced from the activities can be accurately located and identified;
 - 3. The dates on which the actual geological prospecting or scientific research activities were performed;
 - 4. A narrative summary of any: (a) hydrocarbon and/or mineral occurrences or environmental hazards observed and (b) adverse effects of the geological prospecting or scientific research activities on the environment, aquatic life, archaeological resources, or other uses of the area in which the activities were conducted;
 - 5. The estimated date on which the processed or analyzed data or information will be available for inspection by the MMS;
 - 6. A final edited navigation tape or other suitable storage medium, of all data or sample locations in latitude/longitude degrees. The tape is to be formatted in _____ coded in ASCII with fixed record length and fixed block size. A printed listing and a format statement are to be included;

7. Identification of geocentric ellipsoid (NAD 27 or NAD 83) used as a reference for the data or sample locations; and
8. Such other descriptions of the activities conducted as may be specified by the Supervisor.

C. The last status report and the final report can be combined into one report.

Section IV. Permit or Notice Requirements for Shallow Test Drilling

Prior to the commencement of shallow test drilling for prospecting for mineral resources or for scientific research, the Supervisor may require for permits, or recommend for notices, the gathering and submission of geophysical data and information sufficient to determine shallow structural detail across and in the vicinity of the proposed test. Data and information may include, but are not limited to, seismic, bathymetric, side-scan sonar, and magnetometer systems, across and in the vicinity of the proposed test. When required, 30 CFR 251.7 will apply to permits issued for shallow test drilling. All Outer Continental Shelf (OCS) regulations relating to drilling operations in 30 CFR Part 250 apply, as appropriate, to drilling activities authorized under this section.

Section V. Permit Requirements for a Deep Stratigraphic Test

- A. No deep stratigraphic test drilling activities may be initiated or conducted until a Drilling Plan and Application for Permit to Drill have been submitted by the applicant and approved by the Regional Supervisor, Operations (referred to as Supervisor in this section only). The Drilling Plan must include:
 1. The proposed type of sequence of drilling activities to be undertaken together with a timetable for their performance from commencement to completion;
 2. A description of the drilling rig proposed for use, unless a description has been previously submitted to the Supervisor, indicating the important features thereof, with special attention to safety features and pollution prevention and control features, including oil spill containment and cleanup plans and onshore disposal procedures;
 3. The location of deep stratigraphic test to be conducted, including the surface and projected bottomhole location of the borehole;
 4. The types of geological and geophysical instrumentation to be used for site surveys;

5. Geophysical data and information sufficient to evaluate seafloor characteristics, shallow geologic and man-made hazards, and structural detail across and in the vicinity of the proposed test to the total depth of the proposed test well. Data and information from side-scan sonar and magnetometer surveys must be submitted as required, at the option of the Supervisor; and
 6. Such other relevant data and information as the Supervisor may require.
- B. At the same time the applicant submits a Drilling Plan to the Supervisor, an Environmental Report must be submitted. The report must be in summary form and should include information available at the time the related Drilling Plan is submitted. Data and information which are site-specific, or which are developed subsequent to the most recent Environmental Impact Statement or other environmental analyses in the immediate area, must be specifically considered. The applicant must summarize and provide references for data, information, and issues specific to the site of drilling activity in the related plan, and in other environmental reports, analyses, and impact statements prepared for the geographic area. Any material based on proprietary data which is not itself available for inspection should not be referenced. The Environmental Report must include the following:
1. (a) A list and description of new or unusual technologies that are to be used, (b) the location of travel routes for supplies and personnel, (c) the kinds and approximate levels of energy sources to be used, (d) the environmental monitoring systems that are to be used, and (e) suitable maps and diagrams showing details of the proposed project layout;
 2. A narrative description of the existing environment. This section must include the following information on the area: (a) geology, (b) physical oceanography, (c) other uses of the area, (d) flora and fauna, (e) existing environmental monitoring systems, and (f) other unusual or unique characteristics which may affect or be affected by the drilling activities;
 3. A narrative description of the probable impacts of the proposed action on the environment and the measures proposed for mitigating these impacts;
 4. A narrative description of any unavoidable or irreversible adverse effects on the environment that could be expected to occur as a result of the proposed action; and
 5. Such other relevant data and information as the Supervisor may require.
- C. Any revisions to an approved Drilling Plan must be approved by the Supervisor.
- D. All OCS regulations relating to drilling operations in 30 CFR Part 250 apply, as appropriate, to drilling activities authorized under this Permit.

- E. At the completion of the test activities, the borehole of all deep stratigraphic tests must be permanently plugged and abandoned by the permittee prior to moving the rig off location in accordance with the requirements of the regulations in 30 CFR Part 250.

Section VI. Submission, Inspection, and Selection of Geological Data and Information

- A. The permittee must notify the Supervisor, in writing, when the permittee has completed the initial analysis, processing, or interpretation of any geological data and information collected under a prospecting permit or a scientific research permit that involves developing data and information for proprietary use or sale. If the Supervisor asks if the permittee has further analyzed, processed, or interpreted any geological data and information collected under a permit, the permittee must respond within 30 days. If the data or information are further analyzed or reprocessed, it is the responsibility of the permittee to keep the most current resulting products available in the event the Supervisor requests the current status of data analysis or processing. At any time within 10 years after receiving notification of the completion of the acquisition activities conducted under the permit, the Supervisor may request that the permittee submit for inspection and possible retention all or part of the geological data, analyzed geological information, processed geological information, and interpreted geological information.
- B. In the event that a third party obtains geological data, analyzed geological information, processed geological information, or interpreted geological information from a permittee or from another third party by sale, trade, license agreement, or other means:
1. The third party recipient of the data and information assumes the obligations under this section, except for notification of initial analysis, processing, and interpretation of the data and information, and is subject to the penalty provisions of 30 CFR Part 250, Subpart N; and
 2. A permittee or third party that sells, trades, licenses, or otherwise provides the data and information must advise the recipient, in writing, that accepting these obligations is a condition precedent of the sale, trade, license, or other agreement; and
 3. Except for license agreements, a permittee or third party that sells, trades, or otherwise provides data and information to a third party, must advise the Supervisor in writing within 30 days of the sale, trade, or other agreement, including the identity of the recipient of the data and information; or
 4. With regard to license agreements, a permittee or third party that licenses data and information to a third party, within 30 days of a request by the Supervisor, must advise the Supervisor, in writing, of the license agreement, including the identity of the recipient of the data and information.

- C. Each submission of geological data, analyzed geological information, processed geological information, and interpreted geological information must contain, unless otherwise specified by the Supervisor, the following:
1. An accurate and complete record of geological (including geochemical) data, analyzed geological information, processed geological information, and interpreted geological information resulting from each operation;
 2. Paleontological reports identifying microscopic fossils by depth, and/or washed samples of drill cuttings normally maintained by the permittee for paleontological determination and are made available upon request by the Supervisor. In addition, any other samples or cores requested by the Supervisor are made available on request;
 3. Copies of well logs and charts: one paper copy, one copy on a reproducible stable base, and copies of composite digital well logs on magnetic tape or other suitable medium in a format approved by the Supervisor;
 4. Data and results obtained from formation fluid test;
 5. Analyses of core or bottom samples or a representative cut or split of the core or bottom sample;
 6. Detailed descriptions of any hydrocarbons or hazardous conditions encountered during operations, including near losses of well-control, abnormal geopressure, and losses of circulation; and
 7. Such other geological data, analyzed geological information, processed geological information, and interpreted geological information as may be specified by the Supervisor.

Section VII. Reimbursement to Permittees

- A. After the delivery of geological data, analyzed geological information, processed geological information, and interpreted geological information requested by the Supervisor in accordance with subsection VI of this permit, and upon receipt of a request for reimbursement and a determination by MMS that the requested reimbursement is proper, MMS will reimburse the permittee or third party for the reasonable costs of reproducing the submitted data and information at the permittee's or third party's lowest rate or at the lowest commercial rate established in the area, whichever is less.
- B. The permittee or third party will not be reimbursed for the costs of acquiring, analyzing, or interpreting geological information.

Section VIII. Disclosure of Data and Information to the Public

- A. The MMS will make data and information submitted by a permittee available in accordance with the requirements and subject to the limitations of the Freedom of Information Act (5 U.S.C. 552) and the implementing regulations (43 CFR Part 2), the requirements of the Act, and the regulations contained in 30 CFR Part 250 (Oil and Gas and Sulphur Operations in the Outer Continental Shelf), 30 CFR Part 280, and 30 CFR Part 252 (Outer Continental Shelf (OCS) Oil and Gas Information Program).
- B. Except as specified in this section, or Section X, or in 30 CFR Parts 250, 280 and 252, no data or information determined by MMS to be exempt from public disclosure under subsection A of this section will be provided to any affected State or be made available to the executive of any affected local government or to the public unless the permittee or third party and all persons to whom such permittee has sold, traded, or licensed the data or information under promise of confidentiality agree to such an action.
- C. Geological data, analyzed geological information, processed geological information, and interpreted geological information submitted under a permit, and retained by MMS will be disclosed as follows:
 - 1. The Director, MMS, will immediately issue a public announcement when any significant hydrocarbon and/or mineral occurrences are detected or environmental hazards are encountered on unleased lands during drilling operations. In the case of significant hydrocarbon occurrences, the Director will announce such occurrences in a form and manner that will further the national interest without unduly damaging the competitive position of those conducting the drilling. Other data and information pertaining to the permit will be released according to the schedule provided in subsection D and paragraphs 2 and 3 of this subsection.
 - 2. The MMS will make available to the public all processed geological data, analyzed geological information, processed geological information, and interpreted geological information (except geological data, analyzed geological information, processed geological information, and interpreted geological information obtained from drilling a deep stratigraphic test) 10 years after the date of issuance of the permit under which the data and information were obtained; and
 - 3. The MMS will make available to the public all geological data and information related to a deep stratigraphic test at the earlier of the following times: (a) 25 years after the completion of the test, or (b) for a lease sale held after the test well is completed, 60 calendar days after the Department of the Interior executes the first lease for a block, any part of which is within 50 geographic miles (92.6 kilometers) of the site of the completed test.

- D. All other information submitted as a requirement of 30 CFR 280.8 and determined by MMS to be exempt from public disclosure will be considered as "PROPRIETARY." Such data and information will not be made available to the public without the consent of the permittee for a period of 10 years from the date of issuance of the permit, unless the Director, MMS, determines that earlier release is necessary for the proper development of the area permitted. The executed permit will be considered as "NONPROPRIETARY" and will be available to the public upon request.
5. The identities of third party recipients of data and information collected under a permit will be kept confidential. The identities will not be released unless the permittee and the third parties agree to the disclosure.

Section IX. Disclosure to Independent Contractors

The MMS reserves the right to disclose any data or information acquired from a permittee to an independent contractor or agent for the purpose of reproducing, analyzing, processing, or interpreting such data or information. When practicable, MMS will advise the permittee who provided the data or information of intent to disclose the data or information to an independent contractor or agent. The MMS's notice of intent will afford the permittee a period of not less than 5 working days within which to comment on the intended action. When MMS so advises a permittee of the intent to disclose data or information to an independent contractor or agent, all other owners of such data or information will be deemed to have been notified of the MMS's intent. Prior to any such disclosure, the contractor or agent will be required to execute a written commitment not to sell, trade, license, or disclose any data or information to anyone without the express consent of MMS.

Section X. Sharing of Information with Affected States

- A. The MMS will make proprietary data, information, and samples submitted to MMS by permittees to adjacent State(s) upon request by the Governor(s) in accordance with the following:
 1. The person who submitted the data and information will be notified and will have at least 5 working days to comment on the action;
 2. When the Regional Director advises the person who submitted the data and information, all other owners of the data or information will be considered to have been so notified; and
 3. Before disclosure, the Governor must sign a written commitment not to sell, trade, license, or disclose data or information to anyone without the Regional Director's consent.

- B. Disclosure will occur only after the Governor and the Secretary have entered into an agreement providing that:
1. The confidentiality of the information shall be maintained;
 2. In any action commenced against the Federal Government or the State for the failure to protect the confidentiality of proprietary information, the Federal Government or the States, as the case may be, may not raise as a defense any claim of sovereign immunity or any claim that the employee who revealed the proprietary information, which is the basis of the suit, was acting outside the scope of the person's employment in revealing the information;
 3. The State agrees to hold the United States harmless for any violation by the State or its employees or contractors of the agreement to protect the confidentiality of proprietary data and information and samples; and
 4. The materials containing the proprietary data, information, and samples will remain the property of the United States.
- C. The data, information, and samples available to the State(s) pursuant to an agreement will be related to leased lands.
- D. The materials containing the proprietary data, information, and samples must be returned to MMS when they are no longer needed by the State or when requested by the Director.
5. Information received and knowledge gained by a State official under paragraph (d) of this section is subject to applicable confidentiality requirements of:
1. The Act; and
 2. The regulations at 30 CFR Parts 280, 281, 250, and 282.

Section XI. Fishermen's Contingency Fund

For deep stratigraphic test drilling activities as described under Section V of this permit, the permittee must meet the requirements of establishing an account with the Fishermen's Contingency Fund for the drilling activities area pursuant to Title IV [Subsection 402(b)] of the Act and pay assessment as required in 50 CFR 296.3 (Chapter 11 - National Marine Fisheries Service; Subchapter J - Continental Shelf). The amount of the assessment is specified by the Secretary of Commerce, collected by the Director, MMS, and deposited in the fund to be appropriate account.

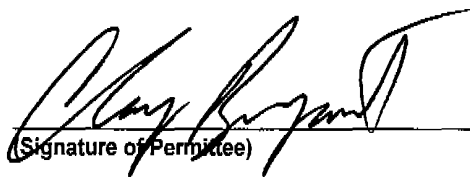
Section IX. Permit Modifications

The Department will have the right at any time to modify or amend any provisions of this permit, except that the Department will not have such right with respect to the provisions of Sections VIII, IX, and X hereof, unless required by an Act of Congress.

IN WITNESS WHEREOF the parties have executed this permit and it will be effective as of the date of signature by the Supervisor.

PERMITTEE:

THE UNITED STATES OF AMERICA:


(Signature of Permittee)

(Orig. Sgd.) David A. Marin

(Signature of Regional Supervisor)

CLAY BAYANT
(Type or Print Name of Permittee)

(Type or Print Name of Regional Supervisor)

V. PRESIDENT
(Title) (Date)

9/24/01

(Date)

4/27/01
(Date)

Stipulations

In performance of any operations under the Permit and Agreement for Outer Continental Shelf Geophysical Exploration for Mineral Resources or Scientific Research, the Permittee shall comply with the following Stipulations:

1. As part of the requirements of 30 CFR 251.6(a), if any operation under this Permit and Agreement is to be conducted in a leased area, the Permittee shall take all necessary precautions to avoid interference with operations on the lease and damage of existing structures and facilities. The lessee (or operator) of the leased area will be notified, in writing, before the Permittee enters the leased area, or commences operations, and a copy of the notification will be sent to the Regional Supervisor executing this Permit and Agreement.
2.
 - (a) Solid or liquid explosives shall not be used except pursuant to written authorization from the Regional Supervisor. Requests of the use of such explosives must be in writing, giving the size of charges to be used, the depth at which they are to be detonated, and the specific precautionary methods proposed for the protection of fish, oysters, shrimp, and other natural resources. The use of explosives represents a "may affect" situation under Section 7 of the Endangered Species Act of 1973, as amended (see number 13. of attached "Environmental Protective Measures") .
 - (b) The following provisions are made applicable when geophysical exploration on the Outer Continental Shelf using explosives is approved:
 - (i) Each explosive charge will be permanently identified by markings so that unexploded charges may be positively traced to the

Permittee and to the specific field party of the Permittee responsible for the explosive charge.

- (ii) The placing of explosive charges on the seafloor is prohibited. No explosive charges shall be detonated nearer to the seafloor than five (5) feet (1.52 meters) .
 - (iii) No explosive shall be discharged within 1,000 feet (304.8 meters) of any boat not involved in the survey.
- 3. Any serious accident, personal injury, or loss of property shall be immediately reported to the Regional Supervisor.
- 4. All pipes, buoys, and other markers used in connection with seismic work shall be properly flagged and lighted according to the navigation rules of the U.S. Corps of Engineers and the U.S. Coast Guard .
- 5. In compliance with Section III- B(6) of this permit, digital navigation data shall be recorded on tape or other suitable storage media for seismic reflection surveys. The navigation data shall be in a format according to SEG P1 (Morgan, J.G. , et al, 1983, SEG Standard Exchange Formats for Positional Data, Society of Exploration Geophysicists, Special Report) . For 2-dimensional seismic events, a geographic location shall be reported for every shot point, irrespective of SEG P1 specifications. For 3-dimensional surveys, the first and last binned and centered locations for each line only shall be reported in SEG P1 format. Suitable media include, but are not limited to, 3 1/2 inch diskettes or 8 mm cassettes all coded in ASCII . Tape and diskette formatting are to be in accordance with "Exchange Format for Postplot Location Data" presented in "Notice to Permittees" dated August 14, 1990 .
- 6. In addition to the "Stipulations" above, the "Environmental Protective Measures" attached hereto shall apply.

ENVIRONMENTAL PROTECTIVE MEASURES

The permittee shall comply with the following provisions:

1. Transportation operations conducted through Aransas or Cavallo Passes will avoid disturbance of the following islands used for nesting by the endangered brown pelican: Sundown Island in Matagorda Bay; Second Chain of Islands in San Antonio Bay; Long Reef Island in Aransas County, Texas; and Pelican Island in Nueces County, Texas.

2. This mitigation applies to all oil- and gas-related activities where the operator proposed to use a shorebase south of the Suwannee River (Florida). Shorebases north of the Suwannee River do not need this mitigation. Shorebases other than the Port Manatee/Tampa Bay area require a separate Endangered Species Section 7 Consultation.

To protect the endangered Florida Manatee, onshore support activities are restricted to Tampa Bay (including Port Manatee). The following manatee protection measures will be used by all vessels associated with these OCS activities:

- a. Permittees and their employees, contractors, or subcontractors are to be advised of the possibility of the presence of manatees in inland and coastal waters of Florida and the Eastern Gulf of Mexico.
- b. Permittees and their employees, contractors, or subcontractors are to be advised that there are civil and criminal penalties for harming, harassing, or killing manatees, which are protected under the Endangered Species Act of 1973, as amended, the Marine Mammal Protection Act of 1972, and the Florida Manatee Sanctuary Act of 1978. The permittee may be held responsible for any manatee harmed, harassed, or killed as a result of their activities.
- c. Permittees and their employees, contractors, or subcontractor vessel operators are to be advised of the need to avoid collisions with manatees and to stay within the existing channels. Vessels using Port Manatee should restrict travel to the extent possible to the deeper channels from Egmont Key to Port Manatee. While in Tampa Bay, vessels should obey all speed restrictions and operate at "no wake/idle" speeds at all times while in waters where the draft of the vessel provides less than a 4-ft clearance from the bottom. (Areas of manatee concentrations have been identified and speed zone signs erected in accordance with Federal, State, and local regulations.)
- d. Vessels while berthed in port will use fenders between the dock and the vessel and/or between adjacent vessels berthed side-by-side. The fenders shall have a minimum clearance of 3 feet when compressed between dock and vessel.
- e. Any collision with and/or injury to a manatee must be reported immediately to the "Manatee Hotline" (1-800-DIAL FMP) and to the U.S. Fish and Wildlife Service, Jacksonville Field Office (904/232-2580) for north Florida and to the Vero Beach Ecosystem Office (407/562-3909) for south Florida.

- f. The permittees and their employees, contractors, or subcontractors must maintain a log detailing sightings, collisions, or injuries to manatees should they occur during the activity time.
- g. Following activity completion, a report summarizing the above incidents and sightings must be submitted to the Florida Marine Research Institute, Florida Fish and Wildlife Conservation Commission, 100 Eighth Avenue SE, St. Petersburg, Florida 33701-5095 and to the U.S. Fish and Wildlife Service, 6620 Southpoint Drive South, Suite 310, Jacksonville, Florida 32216 for north Florida and to the U.S. Fish and Wildlife Service Office, P.O. Box 2676, Vero Beach, Florida 32961-2676 for south Florida.

3. If the permittee discovers any archaeological resource (shipwreck/prehistoric site) while conducting activities, the company will report the discovery immediately to the Regional Director (RD) at the MMS. The company will make every reasonable effort to avoid disturbance to the archaeological resource until the RD informs the company as to what precautions must be taken to protect the resource from operational activities.

4. No bottom-disturbing operations will be allowed for the proposed activities within 500 feet of the No Activity Zone(s) of the biologically sensitive feature(s) shown on the enclosed map.

5. It is recommended that the permittees use low sulfur fuel and NO_x controls within 100 kilometers of the Breton Sound National Wildlife Refuge.

6. The permittee will exercise precaution while conducting operations that involve bottom-surface disturbance in blocks shown on the attached Ordnance Dumping Area map as portions of these areas possibly contain old ordnance and unexploded shells and depth charges dumped until 1970. In addition, the U.S. Air Force has released an indeterminable amount of unexploded ordnance in Water Test Areas 1-5 (most of the Eastern Planning Area).

7. Manmade structure(s) such as pipeline(s) or other potential hazard(s) may be located in the permitted work area; therefore, prior to performing operations that involve bottom-surface disturbance (e.g., coring), all existing pipeline(s) or other potential hazard(s) within 150 m (490 ft) of the proposed work area will be buoyed. In areas highly congested with pipelines or debris, a safe working area large enough to accommodate the proposed operations may be outlined with buoys in lieu of marking each hazard.

8. Operations proposed in designated military warning and or test areas require compliance with the following requirement regarding boat and/or aircraft traffic:

- (a) Hold and Save Harmless

Whether compensation for such damage or injury might be due under a theory of strict or absolute liability or otherwise, the company assumes all risks of damage or injury to persons or

property, which occur in, on, or above the OCS, to any persons or employees, or invitees of the permittees, its agents, independent contractors or subcontractors doing business with the company in connection with any activities being performed by the company in, on, or above the OCS, if such injury or damage to such person or property occurs by reason of the activities of any agency of the U.S. Government, its contractors or subcontractors, or any of their officers, agents or employees, being conducted as a part of, or in connection with, the programs and activities of the command headquarters listed in the following listing.

The permittee assumes this risk whether such injury or damage is caused in whole or in part by any act or omission, regardless of negligence or fault, of the United States, its contractors, or subcontractors, or any of its officers, agents, or employees. The company further agrees to indemnify and save harmless the United States against all claims for loss, damage, or injury sustained by the company, and to indemnify and save harmless the United States against all claims for loss, damage, or injury sustained by the agents, employees, or invitees of the company, its agents, or any independent contractors or subcontractors doing business with the company in connection with the programs and activities of the appropriate military installation, whether the same be caused in whole or in part by the negligence or fault of the United States, its contractors or subcontractors, or any of its officers, agents, or employees and whether such claims might be sustained under a theory of strict or absolute liability or otherwise.

(b) Electromagnetic Emissions

The permittee agrees to control its own electromagnetic emissions and those of its agents, employees, invitees, independent contractors or subcontractors emanating from individual designated defense warning areas in accordance with requirements specified by the commander of the command headquarters listed to the degree necessary to prevent damage to, or unacceptable interference with, Department of Defense flight, testing, or operational activities conducted within individual designated warning areas. Necessary monitoring control and coordination with the company, its agents, employees, invitees, independent contractors subcontractors will be effected by the commander of the appropriate onshore military installation conducting operations in the particular warning area, provided, however, that control of such electromagnetic communication during any period of time between a company, its agents, employees, invitees, independent contractors or subcontractors, and onshore facilities.

(c) Operational

The permittee, when operating or causing to be operated on its behalf, boat or aircraft traffic in the individual designated warning areas, shall contact the following individuals listed below, upon utilizing an individual designated warning area prior to commencing such traffic.

MWA W-92

Contact the Naval Air Station, Air Operations Department, Air Traffic Division/Code 52, New Orleans, Louisiana 70146-5000 (contact ACC A. W. Thrift at (504) 678-3100 or

(504) 678-3101) concerning the control of electromagnetic emissions and use of boats and aircraft in Military Warning Area W-92.

MWA W-147

Contact the 147th Fighter Wing, Operations Officer, Houston, Texas 77034 (contact Msgt. Winsor at (281) 929-2716 or (281) 929-2683) concerning the control of electromagnetic emissions and use of boats and aircraft in Military Warning Area W-147.

MWA W-151

Contact the Air Armament Center, Programs Division, Eglin Air Force Base, Florida 32542-5495 (contact Ms. Dorine White at (850) 882-3899 or (850) 882-4188) concerning the control of electromagnetic emissions and use of boats and aircraft in Military Warning Area W-151.

MWA W-155

Contact the Naval Air Station, Chief - Naval Air Training, Office No. 206, Corpus Christi, Texas 78419-5100 (contact Cmdr. M. Thompson at (512) 939-3862 or (512) 939-2621) concerning the control of electromagnetic emissions and use of boats and aircraft in Military Warning Area W-155.

MWA W-228

Contact the Naval Air Station, Chief - Naval Air Training, Office No. 206, Corpus Christi, Texas 78419-5100 (contact Comdr. M. Thompson at (512) 939-3862 or (512) 939-2621) concerning the control of electromagnetic emissions and use of boats and aircraft in Military Warning Area W-228.

MWA W-453

Contact the Air National Guard-CRTC, Gulfport/ACTS, Gulfport, Mississippi 39507 (contact TSgt. D. Crawford or TSgt. L. Wyche, at (228) 867-2433) concerning the control of electromagnetic emissions and use of boats and aircraft in Military Warning Area W-453.

MWA W-602

Contact the Navy Strategic Communications Wing One, VQ4, Tinker Air Force Base, Oklahoma City, Oklahoma 73145-8704 (contact Lt. Hurst, Lt. Tulles, AD1 Hall, or Mark Herkert at (405) 739-5700, (405) 739-4527, or (405) 739-4056) concerning the control of your electromagnetic emissions and use of boats and aircraft in Military Warning Area W-602.

EWTA-1, EWTA-2, or EWTA-3

Contact the Air Armament Center, Programs Division, Eglin Air Force Base, Florida 32542-5495 (contact Ms. Dorine White at (850) 882-3899 or (850) 882-4188) concerning the control of electromagnetic emissions and use of boats and aircraft in Eglin Water Test Area No. (1)(2)(3).

Naval Coastal Systems Center (NCSC)

Contact the Coastal Test and Evaluation Division, Coastal System Station/Code E21, Panama City, Florida 32407 (contact Mr. Dennis Wilson at (850) 234-4895 or (850) 234-4280) concerning the control of your electromagnetic emissions and use of boats and aircraft in the Naval Coastal Systems Center Area.

MWA W-59

Contact the Naval Air Station-JRB, New Orleans, Louisiana 70143-0027 (contact Msgt. Proze at (504) 391-8696 or (504) 391-8697) concerning the control of electromagnetic emissions and use of boats and aircraft in Military Warning Area W-59.

9. Artificial reef material may be located in the area of the permittee's proposed activities. The permittee should coordinate with the respective State's artificial reef coordinator for specific data regarding the location of reefal material. The following are the respective coordinators and their phone numbers:

Louisiana - Contact the Louisiana Artificial Reef Coordinator, Mr. Rick Kasprzak at (225) 765-2375 to ensure that your operations do not damage reefal material.

Texas - Contact the Texas Artificial Reef Coordinator, Ms. Jan Culbertson at (281) 461-4064 to ensure that your operations do not damage reefal material.

Mississippi - Contact the Mississippi Artificial Reef Coordinator, Mr. Mike Buchanan at (228) 374-5000 to ensure that your operations do not damage reefal material.

Alabama - Contact the Alabama Artificial Reef Coordinator, Mr. Steve Heath at (334) 968-7576 to ensure that your operations do not damage reefal material.

Florida - Contact the Florida Artificial Reef Coordinator, Mr. Jon Dodrill at (850) 922-4340 to ensure that your operations do not damage reefal material.

10. When operations extend south of approximately 26 degrees North Latitude in the Western Gulf of Mexico or 24 to 25 degrees North Latitude in the Eastern Gulf (the 200-nmi

provisional maritime also called the Exclusive Economic Zone Conservation Zone Limit), the permittee should notify the Department of State:

Mr. Tom Cocke, Room 5801, OES/OA
Department of State
Director, Office of Ocean Affairs
Washington, D.C. 20520
Phone: (202) 647-0240

11. Under the Magnuson Fisheries Management Act, 50 CFR 641.22(a) prohibits the use of explosives to take reef fish in the Exclusive Economic Zone. Consequently, permittees/contractors should not take stunned or killed fish on board their vessels. Should this happen the permittee/contractor could be charged by the National Marine Fisheries Service with violation of the Act. If you have questions, contact Mr. Robert Sadler with the National Marine Fisheries Service. His telephone number is (813) 570-5305.

12. The following OCS lease blocks are known as the "Pinnacle Trend": Main Pass Area, South and East Addition, Blocks 190, 194, 198, 219-226, 244-266, 276-290; Viosca Knoll Area, Blocks 473-476, 521, 522, 564-566, 609, 610, 654, 692-698, 734, and 778. The use of anchors may cause physical damage to the Pinnacles. When operations are proposed on any of the above blocks, the permittee must submit anchor plats or other data to demonstrate that pinnacle areas will not be physically impacted by anchoring activities. Anchor locations may be surveyed with an echo sounder prior to anchoring to determine if there is any topographic relief indicative of pinnacle reefs. If pinnacles are discovered, anchors must avoid these hard bottoms/pinnacles by a distance of at least 100 ft. Echo sounder or other data and anchor locations must be submitted to MMS for review upon completion of operations in this Pinnacle Trend area.

13. The permittee shall contact Mr. G. P. Schmahl, the current Sanctuary Manager of the Flower Garden Banks National Marine Sanctuary, when conducting operations within the Sanctuary (Flower Garden Banks and Stetson Bank.) Mr. Schmahl's address is: Flower Garden Banks National Marine Sanctuary, 216 W. 26th St., Suite 104, Bryan, Texas, 77803. His telephone number is (979) 779-2705 [office], or 1-800-715-3271 [pager], (409) 229-6542 [cell phone]. If Mr. Schmahl cannot be reached immediately, you must contact the Sanctuaries and Reserves Division in Silver Spring, Maryland at 1-800-218-1232 (Ms. Lisa Symons).

The permittee should also arrange for any possible buoy removal and subsequent replacement, and exercise caution regarding any geophysical or navigational activities that may endanger any other users of the aforementioned Sanctuary. The Flower Gardens' buoys are located at the following:

East Flower Garden Bank

EFG Buoy #1	27°54'35.9"N, 93°35'49.7"W
EFG Buoy #2	27°54'31.9"N, 93°35'49.0"W
EFG Buoy #3	27°54'27.0"N, 93°35'57.4"W
EFG Buoy #4	27°54'33.0"N, 93°35'59.7"W
EFG Buoy #5	27°54'38.7"N, 93°36'00.5"W
EFG Buoy #6	27°54'39.9"N, 93°35'55.6"W
EFG Buoy #7	27°54'32.8"N, 93°35'55.1"W

West Flower Garden Bank

WFG Buoy #1	27°52'35.1"N, 93°48'54.1"W
WFG Buoy #2	27°52'31.3"N, 93°48'51.3"W
WFG Buoy #3	27°52'27.5"N, 93°49'00.4"W
WFG Buoy #4	27°52'29.4"N, 93°49'04.1"W
WFG Buoy #5	27°52'30.6"N, 93°48'54.7"W

Stetson Bank

Buoy #1	28°09'57.4"N, 94°17'51.5"W
Buoy #2	28°09'59.1"N, 94°17'50.5"W
Buoy #3	28°09'59.2"N, 94°17'47.5"W

13. All permits using explosives or involving surface-disturbing activities must comply with the following special provisions:

The MMS has determined that bottom-disturbing activities and/or the use of explosives for geophysical survey operations conducted under 30 CFR 251 may potentially harm marine mammals, endangered sea turtles, and other indigenous marine life. The use of explosives represents a "may effect" situation under Section 7 of the Endangered Species Act of 1973, as amended. Section 7 Consultation between the MMS and the National Marine Fisheries Service will be conducted on these applications. Specific information needed to support MMS evaluations of applications proposing the use of explosives and seafloor disturbing operations is listed below:

- a. Purpose of the survey.
- b. Description of operations to be conducted.
- c. Proposed starting date and duration of the proposed operation.
- d. Name, title, and telephone number of contact person.
- e. Name, registration number, registered owner, and home port of vessel(s) to be used.
- f. A sketch that schematically illustrates the configuration of the vessel(s) to be used.

g. The anticipated number, if any, of trips to be made by vessel(s) to shorebase for food, fuel, and supplies. Location of shorebase.

h. A legible map of the area(s) of proposed operations, showing shorebase and travel routes.

i. Will operations be supported by aircraft? If yes, name of operations base, distance from base to area of operations, and anticipated number of trips to be made between them.

j. Lease number(s), area(s), block(s), the range of water depths, and the average water depth in the area of planned activity.

k. A preplot map, preferably at a scale 1": 4000', with the area name and block number(s) and boundaries indicated as follows:

(1) for *explosives* - showing the proposed grid pattern and shot point interval to be used; or

(2) for *surface-disturbing activities* - showing location of the proposed operations indicated in feet from the nearest block lines and showing anchor pattern, if any, of the vessel(s) to be used.

l. If *soil samples* will be obtained by drilling or coring, provide the following:

(1) An evaluation, referencing supporting information, of the potential for encountering shallow hazards; and

(2) A plan for dealing with the shallow gas should it be encountered while drilling.

m. If *explosives* are used, provide the following:

(1) Briefly state why explosives were selected over nonexplosive seismic energy sources;

(2) Type of explosive, number of charges, maximum charge size, and identification (manufacturer and lot number, serial number, etc.) of charges;

(3) Will charges be detonated below the mudline? If no, why not?

(4) Depth in water column where charge is to be detonated and method of detonation.

(5) Will detonations be sequential? If yes, time delay between detonations.

- (6) Will explosives be used continuously?
- (7) Will explosives be detonated during hours of darkness?
- (8) Briefly describe plan for retrieval and/or disposal of unexploded charges.

As these seafloor disturbing and explosives permit applications require more time to process, more advance notice by the applicant will be required.

If explosives are used, it may be required that an MMS representative witness the detonations. Upon such notification by MMS, provisions shall be made to accommodate the representative.